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SENATE BILL 2430 By  
Dixon

HOUSE BILL 3250  
By Bowers

AN ACT to enact the "Tennessee Electronic Commerce Act" and to  
amend Tennessee Code Annotated, Title 5.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 5, is amended to add the following new  
Chapter 24.

#### CHAPTER 24

#### ELECTRONIC COMMERCE ACT

**Section 5-24-101. Short title.** This part shall be known as the "Tennessee  
Electronic Commerce Act."

**Section 5-24-102. Purposes and intent.** It is the purpose and intent of the  
general assembly by this chapter to authorize all county officers and public officials,  
including, but not limited to, those offices enumerated under Title 8, Chapter 21, to  
conduct business transactions by electronic means and to determine whether, and the  
extent to which, they will send and accept electronic records and electronic signatures to  
and from other persons and otherwise create, generate, communicate, store, process,  
use, and rely upon electronic records and electronic signatures.

**Section 5-24-103. Definitions.** As used in this chapter, unless the context otherwise requires:

(1) "Electronic" means relating to technology having electrical, digital, magnetic, optical, electromagnetic, biometric, wireless, or similar capabilities.

(2) "Electronic record" means a record created, generated, sent, communicated, received, or stored by electronic means.

(3) "Electronic signature" means an electronic sound, symbol or process attached to or logically associated with a record and executed or adopted by a person with the intent to sign the record.

(4) "Record" means information which is inscribed on a tangible medium or is stored in an electronic or other medium and which is retrievable in perceivable form.

(5) "Transaction" means an action or set of actions occurring between two (2) or more persons relating to the conduct of business.

**Section 5-24-104. Authorization.** (a) All county officers and public officials, including, but not limited to, those offices enumerated under Title 8, Chapter 21, are authorized to:

(1) Conduct business transactions by electronic means; and

(2) Determine whether, and the extent to which they will send and accept electronic records and electronic signatures to and from other persons and otherwise create, generate, communicate, store, process, use, and rely upon electronic records and electronic signatures.

(b) To the extent that a county officer or public official uses electronic records and signatures pursuant to this chapter, the officer or official, giving due consideration to security, shall specify all of the following:

(1) The manner and format in which the electronic records must be created, generated, sent, communicated, received, and stored and the systems established for those purposes.

(2) If electronic records must be signed by electronic means, the type of electronic signature required, the manner and format in which the electronic signature must be affixed to the electronic record, and the identity of or criteria that must be met by any third party used by a person filing a document to facilitate the process.

(3) Control processes and procedures as appropriate to ensure adequate preservation, disposition, integrity, security, confidentiality and auditability of electronic records.

(4) Any other required attributes for electronic records which are specified for corresponding non-electronic records or reasonably necessary under the circumstances.

**Section 5-24-105. Legal Effect.** (a) An electronic record may not be denied legal effect, validity, or enforceability solely because it is in the form of an electronic record.

(b) In any judicial or administrative proceeding, evidence of a record or signature may not be excluded solely because it is in electronic form.

**Section 5-24-106. Document Retention.** (a) Documents, checks or any other form of records which must be retained in their original form under current law, may be retained as an electronic record in lieu thereof.

(b) This chapter does not preclude a governmental agency of this state from specifying additional requirements for the retention of a record subject to the governmental agency's jurisdiction, including the requirement that a record be retained in a non-electronic form.

**Section 5-24-107. Optional.** (a) Nothing in this chapter shall be construed to require any county officer or public official to create, store, transmit, accept, or otherwise use, communicate, or conduct business by electronic means.

(b) This chapter shall not operate to rescind or repeal any other provisions of law relative to public records or electronic access previously adopted and enacted into law.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.